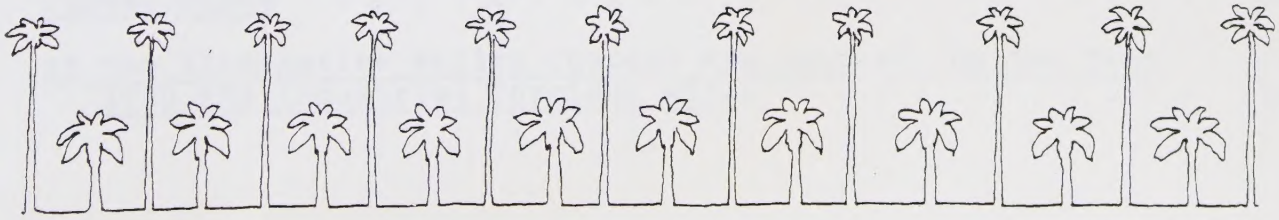
City of Santa Monica General Plan Land Use and Circulation Elements

Issue Paper: The Industrial Corridor



March 1983

TABLE OF CONTENTS

TABLE OF CONTENTS (Cont'd.)

ISSUE PAPER 1: THE INDUSTRIAL CORRIDOR

SUMMARY OF THE ASSIGNMENT

INTRODUCTION

One of Santa Monica's great advantages as it proceeds to revise its Land Use and Circulation Elements is the City's recent history of very extensive public policy debates dealing with many of the issues that are central to decisions on future land use patterns. This high level of debate has helped to crystallize issues to a far greater degree than is usually true. Thus the premise underlying this paper is that citizen-government communication in Santa Monica has progressed to the point where effective citizen involvement and action now require a carefully documented analytic perspective on each of what are generally agreed to be the key issues for future land use. The purpose of this paper and the four others like it is to provide such a perspective.

In November the consultants prepared a set of "research designs" for each issue paper. These set out the key issues which the consultants thought had emerged in the City in its past debates and discussions on land use policy in each of five geographical areas of the City:

(1) The Industrial Corridor
(2) The Downtown
(3) The Highway Commercial Corridors
(4) The Neighborhood Commercial Areas
(5) The Oceanfront

This statement of the issues was discussed with community groups, business organizations and elected officials in the City and then revised in light of the comments made. These groups included the Santa Monica Chamber of Commerce, the Pico Neighborhood Association, the Concerned Homeowners of Santa Monica, the Ocean Park Community Organization and the Santa Monica Visitors and Convention Bureau. Each design also contained a plan for analyzing the key issues. That plan indicated that for each geographical area the papers are to report what the consequences are likely to be in the year 2000 of:

-- The continuation of land use regulations in effect during April 1981,
-- The set of regulations and policies proposed by the City's Commercial and Industrial Task Force as embodied in City Council Resolution #6385,
-- An alternative set of policies proposed by the consultants.

As required by the Planning Commission, the analysis of consequences also includes identification of the costs and benefits that may reasonably be expected to attach to the three different sets of policies with respect to six major City goals:

(1) Assurance of adequate General Fund revenues for provision of City services.
(2) Provision of employment opportunities for Santa Monica residents.
(3) Support for existing Santa Monica businesses.
(4) Maintenance of the City's housing stock.
(5) Preservation and protection of Santa Monica's natural environment, including attention to traffic, parking and utility infrastructure.
(6) Attention to problems of un and underemployment.

DESCRIPTION OF THE AREA

These facts and figures are set forth below for the Industrial Corridor. As indicated on the following map, the Industrial Corridor is the area which lies immediately North of the Santa Monica Freeway, along an old railway line that runs more or less parallel to the Freeway. The Industrial Corridor occupies the area from the Southeast corner of the downtown commercial district to the Eastern border of the City. The perimeter of the corridor is currently zoned M-1 for light industrial uses. The inner core is zoned M-2 to allow heavier industry, although some types are prohibited. All commercial uses, including office buildings but excluding some types of retail use, are presently permitted in the Industrial Corridor.

USE OF THIS REPORT

The report on the Industrial Corridor, and all other issue reports, are divided into eight sections:

(I) Summary of the Assignment (Includes Area Description)
(II) Key Issues
(III) Summary of Key Policy Findings
(IV) Analysis -- Continuation of Past Policies (Baseline)
(V) Analysis -- Commercial and Industrial Task Force Program (City Council Resolution #6385)
(VI) Analysis -- An Alternative Policy Program
(VII) Summary -- Impacts of the Three Scenarios
(VIII) Appendices

Supporting analyses of land use trends and of environmental concerns are reported in Hall Goodhue Haisley and Barker, "Background to the Issue Papers", February 1983. Supporting detailed demographic and economic analyses are reported in Hamilton, Rabinovitz and Szanton, "City of Santa Monica Demographic and Economic Projections: 1980-2000", February 1983.

With respect to circulation questions, only the conclusions of the circulation analysis are reported here, in the Summary of Key Policy Findings. The detailed circulation data and analysis are contained in PRC Voorhees, "Santa Monica General Plan Circulation Analysis", February 25, 1983.

These analyses are not proposed as a substitute for public debate of the key issues. They are intended as an aid to this debate. Each issue paper has been circulated to many groups in the City and will be presented at a public workshop where its findings will be described and written and oral comments solicited from the community. The workshop on the Industrial Corridor will be held on April 4, 1983.

The key decisions which a land use plan entails are the regulation of use, height, bulk, intensity and resulting circulation patterns. These are the action items on which consensus must be achieved. To highlight these items, the final appendix in each issue paper contrasts the specific regulations proposed for each scenario.

After all five workshops have been held and the fruits of public comments arising from them are digested, the Consultants will relate the findings for each area to the City wide policy that will be expressed in the new Land Use and Circulation Element. If these perspectives reduce to a single basic approach, the approach will be translated into a draft Land Use Element, which will then again be circulated for public comment. Only after this extensive opportunity for public appraisal and advice will the package of policies selected by the City be put into finished form for submission to the City Planning Commission and the City Council.

KEY ISSUE

The key issue which must be decided with respect to the Industrial Corridor is whether industrial uses should be aggressively maintained and supported in the Industrial Corridor and office development severely limited.

This issue can be subdivided into three questions:

(1) Are the trends identified in the 1978 study of the Industrial Corridor continuing?
(2) What would the cost be to the City of maintaining industrial uses and limiting office uses in the corridor to a maximum of 35% of each industrial site?
(3) What kinds of benefits could the City expect if it did incur these costs, particularly in terms of providing employment for resident low income population in the City?

SUMMARY OF KEY POLICY FINDINGS

SCENARIO I: CONTINUATION OF PAST POLICIES (BASELINE)

A detailed study of the Industrial Corridor was done in 1978 by the Natelson Company which indicated that industry was being pushed out of the corridor as a result of a regional shift towards services and concluded that there was little the City could do to alter this trend. It recommended leaving the area's zoning intact, however, which would mean that light manufacturing, industrial office and commercial service and repair facilities would predominate in the area although the pressure to permit more office and retail uses would continue.

Since That Time and to 1982

* The demand for industrial space in Santa Monica has weakened, as evidenced by an increase in vacancy rates in the Industrial Corridor since 1978 and a net loss of acres in industrial use.

* A great deal of change has occurred in this area. Overall 53% of the sites in the area have changed use since 1978.

* The composition of the use of existing space is changing. Traditional manufacturing of finished and semi-finished products is the biggest loser. There were 161 such firms in 1978 compared to only 75 in 1982 in the Industrial Corridor, a more than 50% drop. Most of this loss was not in the largest companies, but in the smallest ones. Among industrial uses, both high technology and small craft uses increased in terms of square feet of space occupied by such businesses, while all other categories decreased. Both retail and office space uses increased.

* Despite vacancies and changes, employment in the Industrial Corridor has held at about the same level since 1978. Industrial employment decreased 14%, from 8,914 to 7,696 jobs, but this was offset largely by a 37% increase in office-type employment (from 2,536 to 3,475), as well as an increase caused by expansion of some of the biggest finished product manufacturers, and an expansion in the number of firms offering high technology employment.

* It appears that the jobs lost in the smaller and medium sized manufacturing firms tended to be more likely to employ men while the newer technology and office type jobs are more likely to employ women. Industrial employers estimate that 30%-40% of their workers are Santa Monica residents, as contrasted with 18% of office workers.

* Most of the streets in the Industrial Corridor are currently operating at a reasonable level of service, at less than 75% of capacity. The major exception is the Cloverfield interchange. The Cloverfield interchange is currently experiencing capacity problems. Existing traffic takes up close to 95% of the daily

capacity, causing peak hour congestion and backups onto the ramps of the interchange (This interchange currently handles traffic demands for close to two-thirds of the City since there are no other freeway access points to the Santa Monica Freeway between Centinela and Lincoln Boulevard).

* Many of the current land uses in the Industrial Corridor do not provide adequate on-site parking to meet all of their parking demands. This results in the spillover of parking by Industrial Corridor employees onto nearby residential and other streets in the area.

* A minimal level of local transit service is available in the Industrial Corridor. Santa Monica Municipal Buslines (SMMBL) route Number 9 runs along Olympic Boulevard connecting West Los Angeles to Pacific Palisades, via Downtown Santa Monica. Route 11, an intracity loop route, passes through the Corridor on 14th and 20th Streets. A future light rail line which would tie into the regional transit system, is being considered on the railroad right of way which passes through the Industrial Corridor.

* A Class II (on-street) bicycle facility is planned for Olympic Boulevard, although none exists in the Corridor at the present time.

<u>If Past Policies are Continued, by the Year 2000 the Industrial Corridor Will</u>:

<u>Land Use</u>

* Contain predominantly office development. 46% of the new office growth in the City will be drawn into the Industrial Corridor if present trends continue. By the year 2000 this means that there will be 1.751 million square feet of new office development in the Corridor. The Corridor, which is today 21% office, will then be 41% office. Small site industrial space, which is usually used by small scaled, locally owned businesses, or by beginning businesses, since it is not specifically protected, may be overcome by the demand for office development space.

<u>Employment</u>

* This shift in land use will impact employment. By the year 2000 the Industrial Corridor is likely to contain 22,022 jobs, of which 47% will be in office employment, 34% industrial, 6% retail employment and 13% other (government, communications, utilities). This contrasts with the current situation in which of the existing 12,742 jobs, 54% of the Corridor's employment is industrial, 26% office, 12% other and 8% retail.

Un and Under Employment

* This pattern of development will produce a decreasing percentage of jobs held by Santa Monica residents, who will go from holding 29% of the jobs in the Corridor in 1982 to 26% in the year 2000. However, the absolute number of jobs held by Santa Monica residents will be higher than it is at present in the industrial, office and retail sectors. There will be 189 new industrial jobs, 1,256 new office jobs and 113 new retail jobs held by residents.

Urban Design

* From a design perspective, existing policies are likely to produce monumentally scaled projects which are inward looking and do not relate to the surrounding context or to one another. A framework is not given in existing regulations to tie the Industrial Corridor district together, nor to make it an integral part of the City.

Traffic

* Traffic generated in the Industrial Corridor will increase by about 31,620 trips, an increase of 61% over existing trip generation in the Corridor.

* Traffic volumes at the Cloverfield interchange are projected to increase at the eastbound on-ramp to 23,400 vehicles per day which exceeds the theoretical capacity of the on-ramp and will lead to increased congestion and extended peak hours. No other major streets within the Industrial Corridor, besides the freeway ramps, are anticipated to exceed 75% of their daily capacity.

* The additional traffic generated in the Industrial Corridor will contribute to capacity problems at other locations in the City. The largest contributions of traffic by Industrial Corridor Land Uses (after their contribution to the Interchanges ramp volumes) will be on Lincoln Boulevard, where 2,750 vehicle trips will be added, and on 26th Street North of Wilshire, where 2,500 vehicle trips will result. The addition of Industrial Corridor-generated traffic to both of these streets will increase the pressure for diversions of traffic off of these streets and onto parallel routes through residential neighborhoods.

Other

* The increase in employment will impact on the demand for housing in the rest of the City. In existing office buildings 39% of the employees who are non-residents indicate that if they had the opportunity do so they would move to the City; 19% of this group would qualify for housing in the "Affordable "range.

SCENARIO II: COMMERCIAL AND INDUSTRIAL TASK FORCE PROGRAM (CITY COUNCIL RESOLUTION #6385)

Policy Changes Recommended

In 1981 the City's Commercial and Industrial Task Force studied the Industrial Corridor and recommended that a strategy be developed to keep the corridor for industrial uses. This involves eliminating office uses except where the office is attached to an industrial or manufacturing business and then to under 35% of the total floor area of the structure, among other requirements.

Consequences

* Santa Monica's land prices in the Industrial Corridor are higher than those now being asked for manufacturing type space in market areas with which the City must compete. Therefore, the only types of traditional industrial uses projected to come into the corridor without City subsidy are those: a) whose location is determined by the personal preferences of the owner of the firm, which may not necessarily be oriented to maximize economic return; b) warehousing activities where the improved access to West side markets offsets the higher lease costs and industrial activities; and c) where the site is owned by the space user and the convenience of operating on the site outweighs the economic advantages of selling the site and leasing space elsewhere.

* If the City wishes to attract or retain traditional industrial uses, a decrease in land prices of $10-$50 per square foot might be required in order that land values be brought down to the point where they are equivalent to the value of land in areas in which it is now economic to build space for industrial users. It is unlikely that land prices would fall sufficiently to attract much new development for traditional industrial uses because even under Task Force provisions non-manufacturing industrial uses such as warehousing would be viable at competitive rates. Thus for traditional industrial uses, some subsidy is likely to be required.

* If the City wishes to attract some industrial uses without subsidy, its best alternative is to attract high technology users, since land values and rental for such industrial firms are normally as high as those for prime office space. The employment profile of high technology firms is quite different from that of traditional manufacturing firms, however. Since 1978 almost 133,000 square feet of new high technology oriented floor space has been built in the Corridor. In existing buildings six new high technology firms have been added since 1978 and existing firms have expanded, pushing the percentage of space in the Corridor occupied by these uses from 10% in 1978 to 16% in 1982. The Task Force recommendations do not contain policies for the needed land assembly. Moreover, should land become

available in large tracts for industrial use adjacent to the Airport, this space would compete for this use with Industrial Corridor space.

* If the City chose instead to "write down" land costs to make land available to additional manufacturers, it could need to spend as much as $12 million to assure that land was available at a price which would make it possible for the demand for industrial space to be satisfied through development of traditional manufacturing plants. This implies that each traditional manufacturing job produced by the year 2000 would represent a one-time cost to the City of about $19,000.

If the Recommended Task Force Policy Changes are Adopted, by the Year 2000 the Industrial Corridor Will:

Land Use

* The area will not have sufficient space to accommodate the 1,751,420 square feet of demand for office space forecast. Only a small portion of this demand (213,000) could be accommodated under Task Force recommendations in other parts of the City. About 390,000 square feet of office development would be redirected to other communities by this set of regulations.

* Assuming new land uses do not displace existing land uses, the Corridor, which is today 21% office, will then be 35% office. The Corridor, which is today 69% industrial will then be 57% industrial.

Employment

* Because of the lower development of office space permitted than would be true if current policies were continued, the Industrial Corridor would likely contain 19,742 jobs in the year 2000, of which 41% (8,057) would be in office employment, 38% in industrial employment (7,499) and 6% (1,243) in retail employment. This is 2,280 fewer jobs than would be expected to be present in the Industrial Corridor if existing regulations were continued. In trying to preserve jobs, the regulations probably have the effect of reducing employment in the area.

Un And Under Employment

* This pattern of development will produce a very slightly higher percentage of jobs held by Santa Monica residents.

Traffic

* The traffic generated in the Industrial Corridor will increase by about 24,060 trips, an increase of 47% over existing trip generation in the corridor. This is 24% less than the number of trips which would be generated in the Corridor under the Baseline Scenario.

* While the traffic volumes at the Cloverfield Interchange will be 4% lower than under the first scenario, the volume will still exceed the daily capacity of the ramps.

* The Industrial Corridor will continue to add in excess of 2000 daily trips to both Lincoln Boulevard and 26th Street, resulting in increased pressures for diversion of traffic through residential neighborhoods.

Urban Design

* Because of growth controls, the urban form would remain much as it is today.

Other

* A portion of the overflow of office demand forced out of the Industrial Corridor, as a result of normal market forces, would likely end up to some extent transferred to the Wilshire Corridor. Since this area directly abuts residential neighborhoods, the additional development would create traffic and parking impacts.

SCENARIO III: AN ALTERNATIVE POLICY PROGRAM

Policy Changes

Recent trends indicate that manufacturing and semi-finished product uses are declining and being replaced by high technology, crafts, retail and office development. The Task Force based scenario attempted to stop this change by limiting office development to 35% associated with new industrial use. However, the traditional industrial use would still decline, without competition from new uses, because of a fundamental regionwide shift to a service based economy.

The third scenario seeks to recognize these trends, while at the same time protecting valuable incubator industry. The aims of this scenario are to:

- -- Satisfy the City's adopted goals (the most relevant here being that of employment opportunities for Santa Monica residents)
- -- Tailor development potential to the demand for space
- -- Minimize harmful effects on the environment, particularly residential neighborhoods.
- -- Point out key opportunities for public investment and action to stimulate private improvements.

The strategy chosen to achieve these aims is to split the Industrial Corridor into two districts: an "M" zone West of 20th Street, and a new "C-5" zone East of 20th Street. In the "M" zone, the City would preserve industrial uses by adopting the rules suggested by the Commercial and Industrial Task Force which: a) limits office development to a maximum of 35% of industrial development; and b) requires a Conditional Use Per-

mit to assemble existing lots to create a project site of 25,000 square feet or larger. In the "C-5" zone, such uses as R & D, and large floor area offices would be encouraged, in order to promote a clean, low-scale, job creating substitute for traditional industry which is on the decline. This new district would offer an opportunity to make the Industrial Corridor tie into and complement its residential context. These principles are illustrated in Figures 4-9.

Consequences

* Of a total of 89 acres susceptible to change, about 36 acres in the Corridor would be set aside for industrial uses, leaving about 53 for office development.

* To encourage development in the new C-5 zone, so as to to reinforce the cohesiveness of the district, height limits would be set low and FARs would be generous to discourage large expanses of surface parking. With an allowable FAR of 1.5-2.0, a 3-4 story height limit and a coverage of 65% is appropriate. These low heights also fit well with the adjacent residential context.

* The preservation of the M district would have the effect of protecting space for incubator industries, by limiting FAR's and heights to those typical for industrial uses, i.e., FAR's of .5-1.0 and heights up to 3 stories.

* Note that in none of these areas would residential use be either prohibited or discouraged. Residential development would be limited only by the allowable height and bulk provided for the district as a whole.

If the Alternative Policy Changes are Adopted, by the year 2000 the Industrial Corridor Will:

Land Use

* Under this scenario it is likely that by the year 2000, the area would contain 2,734,400 square feet of office development, 3,469,400 square feet of industrial development and 519,000 square feet of retail development.

Employment

* This development would produce 22,022 jobs, 34% industrial, 6% retail and 47% office under employment. This is identical to the results under the first scenario.

Un And Under Employment

* Under both this and the first scenario a smaller percentage but a higher absolute number of Santa Monica residents would be employed in such jobs than is now the case.

Urban Design

* The likelihood of making the Industrial Corridor an integral extension of the City, which complements its residential context, is far greater than under the other two scenarios. This is due to such recommendations as creating a strong network of plublic open space, design guidelines which would reduce the visiblity of surface parking, and discouraging access from Olympic Boulevard.

Traffic

* The Industrial Corridor will generate approximately 31,800 trips per day, an increase of 62% over existing trip generations in the Corridor. This is roughly equivalent to the trip generation increase projected for the first scenario, and 32% higher than for the second scenario.

* The new Industrial Corridor land uses will contribute additional traffic to both the Lincoln and 26th Street travel corridors in a magnitude equivalent to the Baseline Scenario, Neighborhood traffic control plans will be required to prevent diversions of traffic off of these streets and into residential neighborhoods.

* The Cloverfield interchange continues to be a problem in this scenario. Daily traffic volumes on the Cloverfield Interchange will increase by close to 32%, again exceeding the Interchange ramp capacities. The resulting volumes will be approximately halfway between those that would have occurred under Scenario II policy changes (29% increase over existing) and those under continuation of past policies (35% increase over existing). The circulation analysis suggests upgrading of the capacity of the ramps at the interchange to provide two lane on and off ramps. If this is done, the capacity of the ramps would be increased to approximately 34,000 vehicles per day, which is under 70% of capacity. Congestion problems would be significantly decreased as a result of this improvement. Another alternative would be to make an effort to increase transit ridership. Approximately 5,000 auto trips would have to be shifted to transit to eliminate the congestion on the ramps. These trips could be accommodated within existing transit capacity; but a significant level of effort would be required on the part of the City to develop the types of disincentives to auto use, or incentives to transit usage, that would result in a mode shift of this magnitude.

Other

As in the first scenario, the increase in employment will impact on the demand for housing in the rest of the City.

ANALYSIS -- CONTINUATION OF PAST POLICIES (Baseline)

Previous Policy Recommendations

The City conducted a detailed study of the Industrial Corridor in 1978, with the assistance of the Natelson Company. That study concluded that:

(1) While the demand for industrial space in Santa Monica is strong, as evidenced by low vacancy rates, the composition of demand for space is changing. The region is less and less oriented toward manufacturing and more and more toward services. The increasing desirability of Santa Monica as a place to live and to do business is increasing prices and pressure for "higher" land uses in the industrial area. Industry is being pushed out by these prices into other cities.

(2) Therefore, large manufacturers in the Industrial Corridor will gradually be replaced by office and commercial uses. Smaller "incubator" industrial spaces for starting light manufacturers will remain. Utilities and municipal land users, who are less subject to immediate pressure from rising property values, are also likely to remain.

(3) The lack of available space for expansion or new facilities is the principal drawback in the Industrial Corridor for large manufacturers.

(4) Most sales of property in the Corridor are private transactions between groups holding land for speculative purposes. Since returns from industrial land are lower than those for commercial uses there is strong pressure to develop this land into office or commercial uses.

(5) The City's ability to alter these trends is very limited. The provision of more stringent land use controls and efforts to maintain space for large manufacturers are the only ways to assure their continued presence in the Industrial Corridor. Such measures would involve a public subsidy, be cumbersome and probably not alter the basic thrust of the existing trends.

(6) If existing trends and zoning are continued the Industrial Corridor will attract three types of uses. First, a variety of small light manufacturers and distributors can be accommodated. Second, industrial office users are feasible. Third, commercial service and repair facilities can be expected. The City can expect pressure to continue for altering existing zoning and permitting more intensive office development and more retail uses.

The 1978 study recommended that the City:

(1) Make no major changes in current zoning, building or related standards or area designations;

(2) Develop buffers between incompatible land uses;

(3) Establish parking districts to provide additional off-street parking where it is needed and where the developers in the area indicate they can and will share the cost;
(4) Adopt standards for rehabilitating older structures to upgrade obsolete buildings perhaps through estabishing a low interest rate loan fund;
(5) Add signs, entry gates or other indicators to heighten the identity of the Corridor as a separate area.

Since That Time and to 1982

The consultants have tried to establish whether since 1978 trends identified in the area are continuing or changes have occurred. Three kinds of changes have occurred. First, 578,700 square feet of new space has been constructed in the Industrial Corridor since 1975, of which 282,700 was build for industrial use. This is primarily being used by wholesalers, finished products manufacturers and as warehouses. The use of the new industrial buildings by number of firms and square footage is indicated in Table I.

TABLE I --
NEW BUILDINGS IN THE INDUSTRIAL CORRIDOR: SIZE AND USE

Use Type	No. of Firms	Square Feet
High Technology*	2	12,000
Finished Products	7	70,700
Craft Shops	4	5,300
Wholesale	4	113,500
Warehouse	4	40,600
Office	7	15,200
Retail	2	8,000
Service(non-Prof)	1	3,000
Utility	2	10,400
Vacant	-	4,000
Totals	33	282,700

* High technology means computers, microelectronic components, robotics, photovoltaics, bioengineering but NOT the computer software industry which services the hardware, and which typically is office based.

Second, about half of the existing buildings in the Industrial Corridor have changed in use since the study done in 1978. The scale of change is dramatic; 53% of the sites in the area underwent changes in use since 1978. The pattern of change in use is quite different from the pattern for new buildings. The most dramatic losses occurred in the number of firms producing Finished Products. There were 161 of these in 1978 and only 75 in 1982. Most of the loss was in smaller companies. Office and retail uses increased significantly. The changes in business use by type between 1978 and 1982 are shown in Table II.

TABLE II -- CHANGES IN
BUSINESSES IN THE INDUSTRIAL CORRIDOR, BY TYPE OF USE*

Use Type	1978	1982	% Change
High Technology	32	26	-19%
Finished Products	161	75	-53%
Small Craft Shops	76	84	+11%
Wholesale Distrib.	47	46	--
Warehouses	26	16	-38%
Construction	39	27	-31%
Services(non-prof.)	79	63	-20%
Office**	77	93	+21%
Retail	30	35	+17%
Other	67	39	-42%
Total	634	504	-21%

* Use types are reclassified from the 1978 study to more accurately identify the type of employment associated with each use. Non-professional services principally involve auto related work. Other includes restaurants, schools and personal services.

** Office numbers are actually low since the entire building is counted as one unit rather than each firm within the building. The square footage table which follows provides a more accurate picture of the extent of office development.

Site inspection and analysis of business license records confirm the conclusion in the table above that the number of businesses in the corridor is declining. Six major manufacturers have left the Industrial Corridor recently, vacating 307,000 square feet of space, most of which is empty, or has become a warehouse. The smallest space vacated has become an office building.

There are similarities in what is occurring in the portion of the Corridor East of 20th Street, as compared to what is occurring West of 20th Street in terms of relative rates of decline in numbers of businesses, although small craft expansion is occurring only East of 20th Street.

The character of the changes occurring is shown in a more clear-cut way if square footage by type of use is examined. Table III and the bar graph which follows it show the number of square feet for each use type, both East and West of 20th Street and in total, for 1978 and 1982. This table indicates that the percent of space in the Corridor devoted to industrial uses declined 13% in the period. High Technology space increased 45%, as a consequence of both expansion of existing firms and the addition of six new firms, but the percentage of space devoted to finished product manufacture went down 30%. The substantial increase

shown in warehousing is largely attributable to the location of a single new warehouse facility in a building vacated by a manufacturer. The other big increase is in office space, up 33%.

TABLE III -- CHANGES IN USE IN THE INDUSTRIAL CORRIDOR, BY SQUARE FOOTAGE*

	1978			1982			
Use Type	West of 20th St.	East of 20th St.	Total	West of 20th St.	East of 20th St.	Total	% Chg. 1978-1982
High Tech	161.8	134.1	295.9	226.4	202.3	428.7	44.9%
Finished Prod.	652.3	1185.1	1837.4	477.9	810.9	1288.8	(29.4)
Craft Shops	76.7	97.7	174.4	62.1	122.7	184.8	6.0
Wholesale	192.6	301	493.6	99.9	282.2	382.1	22.6
Warehouse	92.4	54.8	147.2	88.2	187.1	275.3	87.0
Construction	41.6	20.4	62.0	34.1	23.4	57.5	(7.3)
Services	161.1	53.9	215.0	197.3	90.0	287.3	33.6
Office	39.9	684.1	724.0	68.2	895.4	963.6	33.1
Retail	110.3	15.6	125.9	93.5	48.4	141.9	12.7
Other	100.3	88.8	189.1	57.6	91.5	149.1	(21.2)
Utilities		148.4			161.3		8.7
Government		282.1			282.1		-
Vacant				69.5	251.1	320.5	N/A
Total		4695.0				4923.0	4.9%

* In thousands of square feet.

What does this change in uses mean for employment in the City? Since funds were not available to conduct a survey of employers and employees in the Industrial Corridor similar to that done previously for office employment, interviews were conducted with 38 firms in the Corridor according to a common questionnaire. These firms were not selected at random and so may not be representative of all firms in the Corridor. They were selected because they are located in four different types of sites in the corridor, one mixed use industrial area, one high technology area, one heavy manufacturing area and one small scale mixed use area. Employers who had participated in the 1978 employment survey were also telephoned to see if their situation had changed since that time. These methods plus a calculation according to assumptions about employees per square foot in different types of space and use, produced the estimates of the change in employment in the Industrial Corridor indicated in Table IV and the bar graph which follows it.

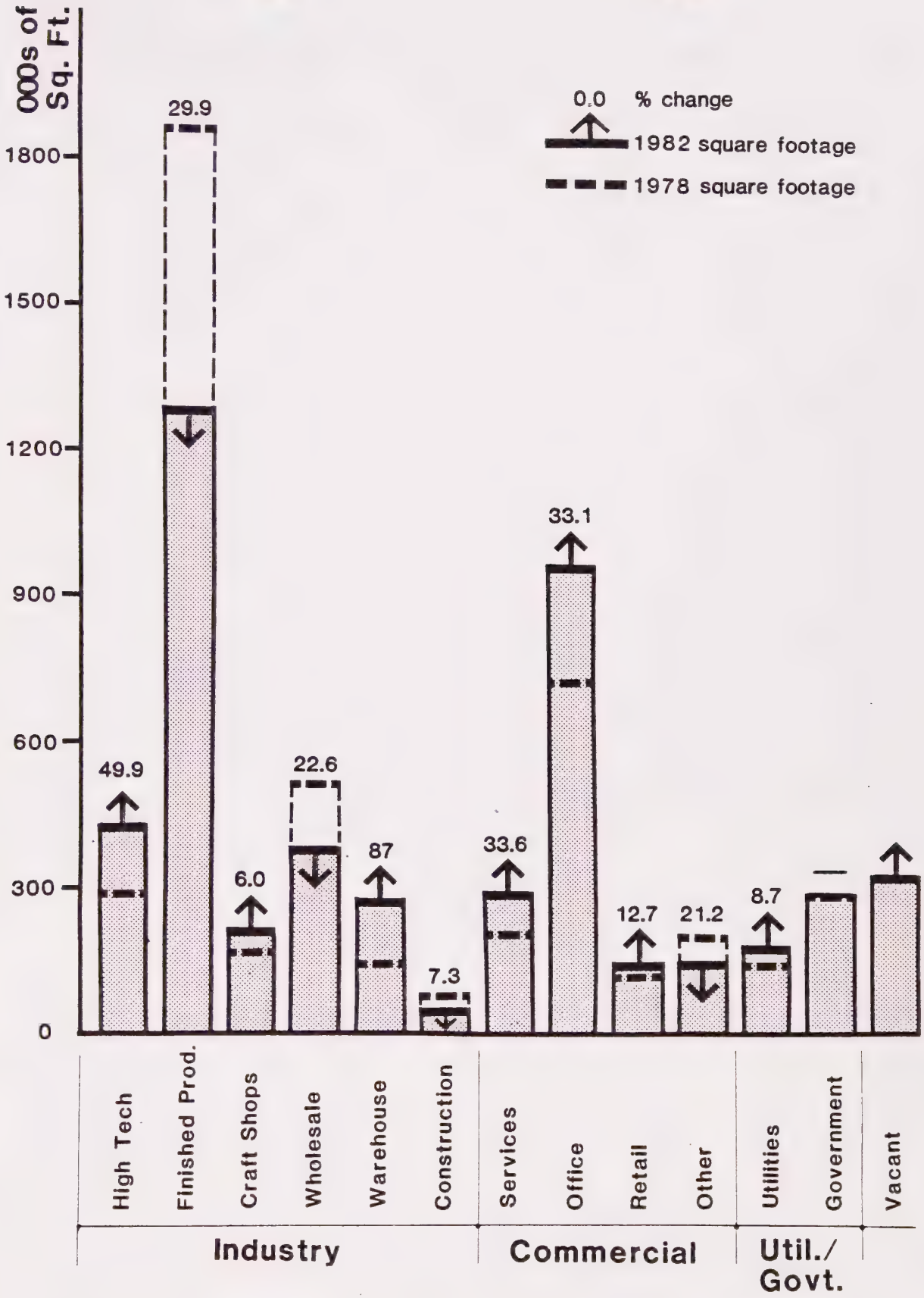


Chart 1.

Change of Use in Sq. Ft. 1978-1982

TABLE IV --
ESTIMATED CHANGE IN INDUSTRIAL CORRIDOR EMPLOYMENT, BY TYPE*

Use Type	# Of Employees 1978	1982	Percent Change
High Tech	1,343	1,974	+47%
Finished Prod	5,534	3,880	-30%
Small Craft	482	510	+ 6%
Wholesale	1,073	831	-23%
Warehouse	138	190	+38%
Construction	344	311	-10%
Sub-Total(Indust)	8,914	7,696	-14%
Services	439	588	+34%
Retail	307	346	+13%
Office-Type	2,536	3,475	+37%
Other	461	637	+38%
Total	12,657	12,742	+ 1%*

* Utility and government employment are assumed to be constant.

What do these changes mean for the extent to which the Industrial Corridor provides work for Santa Monica residents? Employers indicated that their employees were distributed among residents and non-residents as indicated in Table V. Although it is difficult to interpret these responses, it is estimated that the number of industrial employees who are residents is in the 30-40% range. Note however that the kind of employment which is decreasing -- large manufacturing firms -- is that which employ a higher percentage of Santa Monica residents, and the kind which is increasing -- high technology -- is that which employs a lesser percentage of Santa Monica residents.

TABLE V --
EMPLOYMENT: PERCENT OF EMPLOYEES
LIVING IN SANTA MONICA, BY TYPE OF USE

Use Type	Number of Firms*	Number of Employees	Est. % of SM Residents
High Tech.	6	1,343	10%
Large Mfg.	2	1,347	50%
Medium Mfg.	3	34	43-60%
Craft Shops	14	44	25%
Servcs-Nonprof.	6	225	20%
Total	37	3,046	

* The number of firms responding to this question differs from the number of firms responding to the question addressed in Table VI.

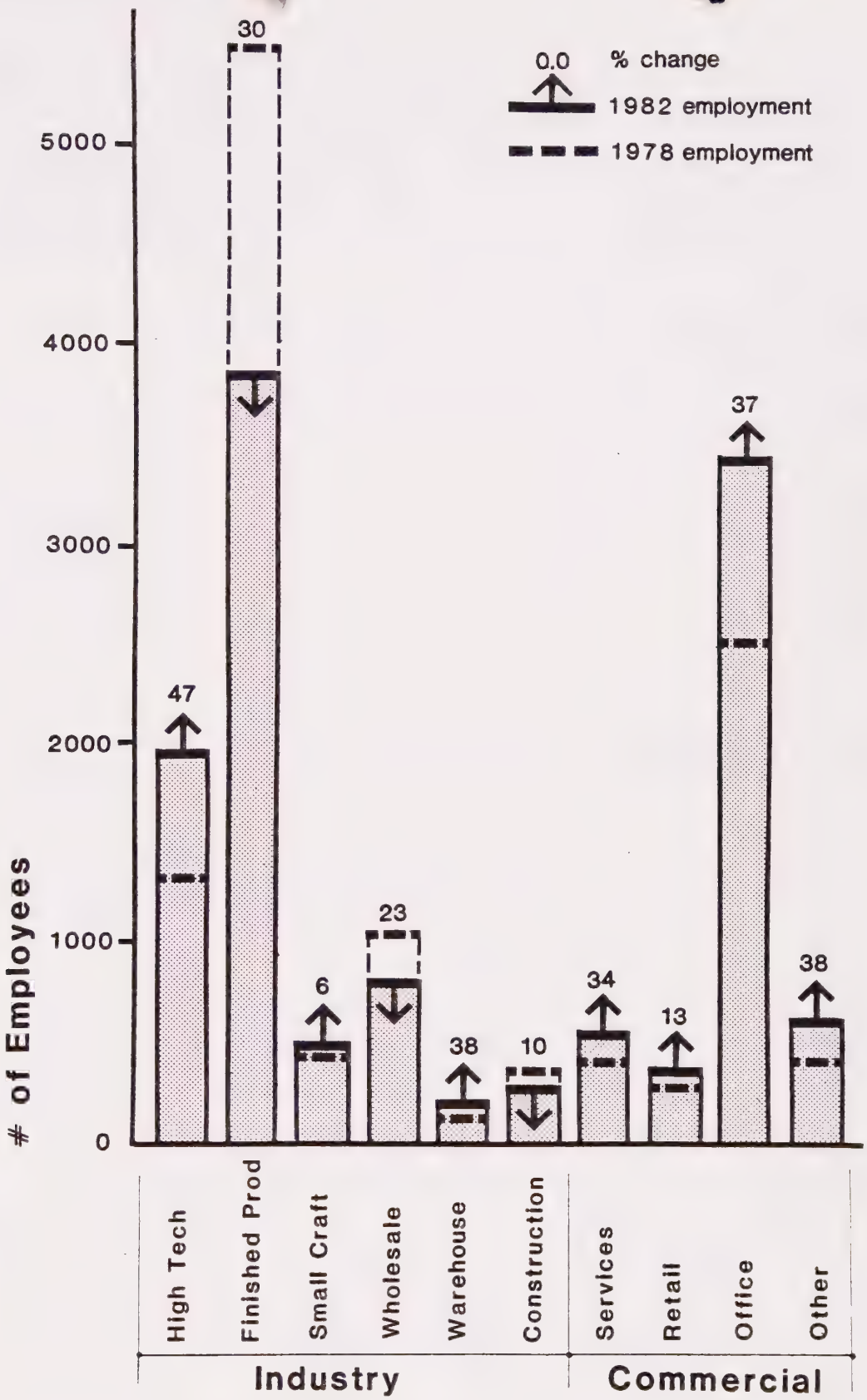


Chart 2.

Change in Employment 1978-1982

What do these changes mean for the extent of ownership by Santa Monica residents of businesses in the area? Again, a non-random set of telephone interviews was conducted on the four sites noted above. The employer responses shown in Table VI indicate that a low proportion of local ownership exists in the high technology and the manufacturing firms. It is the craft shops, the construction and non-professional service firms which seem to be locally owned.

TABLE VI --
OWNERSHIP: PERCENT OF BUSINESSES OWNED BY SANTA MONICA RESIDENTS

Use Type	Number of Firms*	% of Owners in S.M.	% of Owners/Nearby**
Craft Shops	15	47%	94%
Large Mfg.	2	0	50
Medium Mfg.	3	33	100
Non-Prof Svc.	5	60	100
High Tech.	6	0	50
Construction	4	100	100
Retail	1	0	100
Wholesale	2	0	100
Total	37		

* The number of firms responding to this question differs from the number of firms responding to the question addressed in Table V.
** Within five miles of Santa Monica.

If Past Policies are Continued, by the Year 2000 the Industrial Corridor Will:

Land Use

For the period from 1982 forward both the use of space in the Corridor and the employment that is likely to be available within it have been projected. Table VII shows the number of acres susceptible to change in the Corridor if no policy change occurs.

TABLE VII --
INDUSTRIAL CORRIDOR: ACRES SUSCEPTIBLE TO CHANGE*

	Acres Susceptible To Change
Eastern Sector (East of 20th St.)	54.9
Western Sector (West of 20th St.)	32.9
Total	88.8

* The methodology for calculating the number of acres susceptible to change is described in Hall, Goodhue, Haisley and Barker, "Background to the Issue Papers", February, 1983.

If the projected demand for space is then applied, additions to space use in the Corridor will be as illustrated in Table VIII in the year 2000. Figures for existing uses are presented as a comparison and are in parentheses.

TABLE VIII --
INDUSTRIAL CORRIDOR: NEW USE OF SPACE IN THE YEAR 2000
(CONTINUATION OF PAST POLICIES COMPARED WITH CURRENT*)

	Square Feet	% Increase over Existing	Total Yr. 2000 Sq. Ft.	Total Yr. 2000 % of Total
Retail	57,978 (461,000)	13%	518,978	(7%)
Office	1,751,419 (983,000)	178%	2,734,419	(41%)
Industrial	237,830 (3,231,600)	7%	3,469,430	(52%)
Total	2,047,227 (4,675,600)	44%	6,722,827	(100%)

* The totals do not take into account the fact that there might be some displacement of existing industrial space by new space of all kinds. This is because historically there has been almost no displacement of existing development by new development in Santa Monica. However, there could be some reduction in existing space caused by the development of new space by the year 2000.

Employment

These changes in land use will of course be associated with changes in employment. Table VIII indicates the number of jobs of different types which are now existing in the Industrial Corridor and which, under the projected demand for space should regulations remain the same, would be present in the year 2000, and their probable distribution to Santa Monica residents.

In sum, the analysis suggests that if current policies are continued by the year 2000 Santa Monica's Industrial Corridor will contain increasing percentages of office development and employment. By the year 2000 the Corridor is likely to contain some 22,000 jobs, of which 34% will be industrial, as indicated in the following table, while 47% will be office, as contrasted to 54% and 26% respectively at present. Given what we know about the occupants of such types of employment in the City, this pattern of development will probably produce a declining percentage of jobs held by Santa Monica residents.

TABLE IX --
INDUSTRIAL CORRIDOR: EMPLOYMENT BY TYPE,
1982 AND 2000 (CONTINUATION OF PAST POLICIES)

	1982			2000		
		No. held by Residents*			No. held by Residents	
	Total Jobs	No.	%	Total Jobs	No.	%
Industrial	6,870	2,061	56.1	7,499	2,250	38.9
Office	3,361	605	16.5	10,337	1,861	32.2
Retail	1,017	509	13.8	1,243	622	10.8
Other	1,494	501	13.6	2,943	1,045	18.1
Total	12,742	3,676	100.0%	22,022	5,778	100.0%

* Proportion is assumed to be 30% of industrial jobs, 18% of office jobs and 50% of retail jobs. Industrial and retail numbers based on HRS interviews; office number based on actual survey of current office employees.

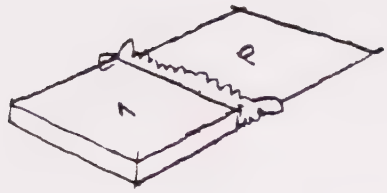
Urban Design

From a design point of view, this scenario has the demerit of probably proliferating monumentally scaled projects which are inward looking and not well related to their surrounding context or to each other. This is so because the existing regulations contain a very permissive floor area ratio (FAR) and do not provide a framework within which to tie the Corridor area together or relate it to the rest of the City.

Little can be said about the design of retail space in the Corridor, because only 35,000 square feet was built since 1975. Approximately one-half of this space consists of such uses as body shops and auto repair, but more recent retail has been designed to service new office development.

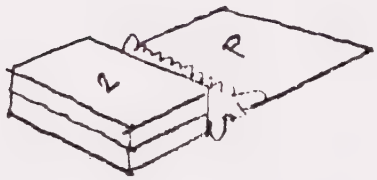
There were 334,000 square feet of industrial space built in the same period. Few of the buildings exceed an FAR of .5 because of the parking requirement of one space per 350 gross square feet, which means that each project needs parking equal to its floor area. Assuming surface parking, the only way to achieve a higher FAR is to build more than two stories, which is unlikely for modern industrial buildings. The resulting typical surface parking prototypes are illustrated in Figure 1.

As for the design of office developments, the trend in the 1.5 million square feet built or approved is toward an average FAR of about 1.6. There are three identifiable prototypes among these office buildings. Some have all surface parking, in which the typical FAR is .5 (as in the industrial projects). Some are low scale with a combination of surface and structured parking, resulting in an FAR of 1-1.5. And, some are large projects with all parking below grade, with FARs up to 2.5. The typical buildings likely to be built are illustrated in Figure 2.



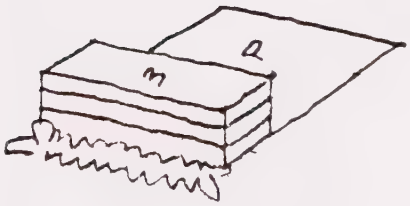
(1) PARKING S.F = BLDG S.F
COVERAGE = 42.5% MAX.

FAR = .425 MAX



(2) PARKING S.F. = BLDG S.F
COVERAGE ≅ 30%

FAR = .5 MAX.



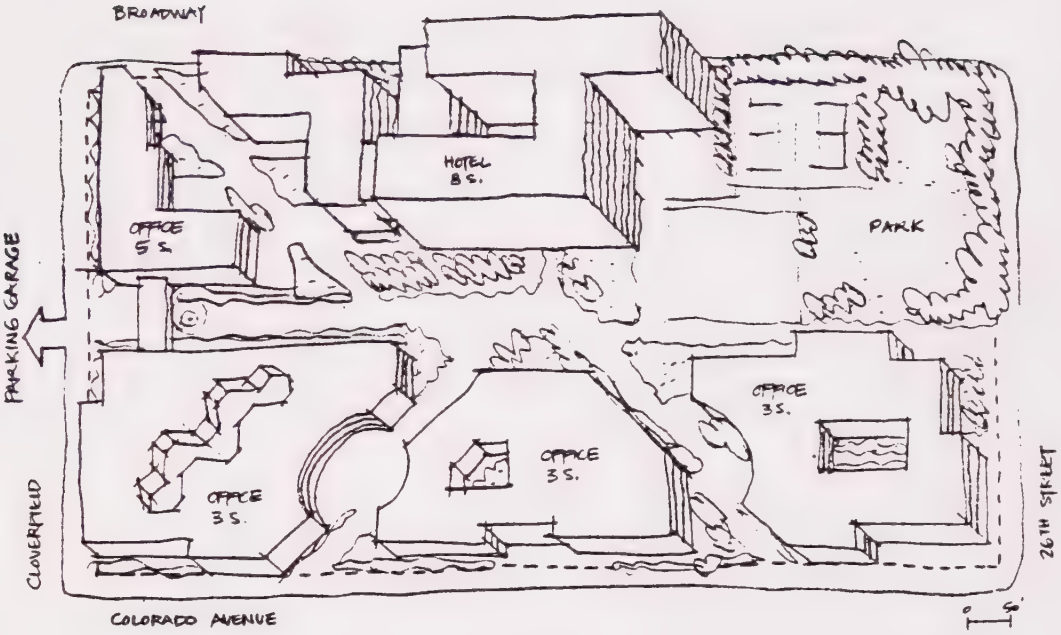
(3) PARKING S.F = BLDG S.F
COVERAGE = 21%

FAR = .64 MAX.

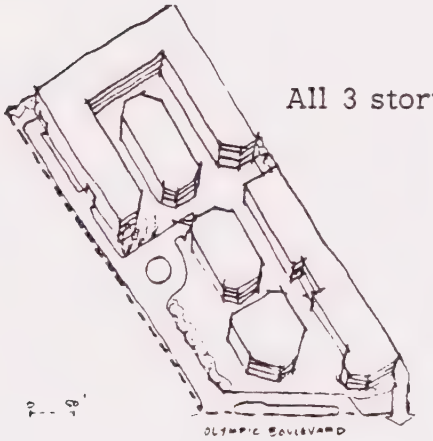
Fig. 1

Surface Parking Prototypes for Office and Industrial Projects

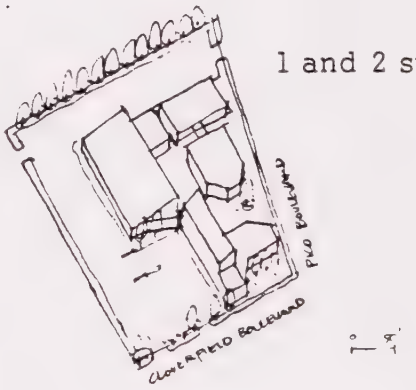
Assumptions:
Parking= 1 space/350 square feet
Landscaping= 15% of site area



Becket Colorado Place Phases I and II: 1,000,000 gross square feet
600,000 square foot lot
FAR=1.5; Coverage=37%



All 3 story



1 and 2 story

Richlar Plaza: 130,400 sf/110,000
FAR=1.2
Coverage=35%
Below-grade parking

El Paseo Plaza: 41,500 sf/91,000
FAR=.5
Coverage=35%
Surface parking

Fig. 2

Past Typical Office Projects

Figure 3 takes FAR's of 1.0, 1.5 and 2.0, and diagrams the range of solutions possible within each limit. As it shows, there is a trade off between building height and land availability for surface parking: one can only use surface parking by stacking the building higher.

ANALYSIS -- THE COMMERCIAL AND INDUSTRIAL TASK FORCE PROGRAM (City Council Resolution #6385)

Policy Changes Recommended

In 1981, the City's Commercial and Industrial Task Force studied the Industrial Corridor and developed a strategy which involved both preservation of existing industrial uses so as to preserve blue collar jobs in the City and efforts to resist market pressures which would turn the area into a commercial and office zone. Rather than capitalizing on market pressure to encourage conversion of the Corridor into an office dominated area, the Task Force suggested policies to retain its industrial character. These included:

(1) A requirement that office use be eliminated as permitted in the zone except where office use was attached to an industrial or manufacturing business, and then limited to under 35% of the total floor area of the structure.
(2) Limitation on neighborhood commercial and residential uses in the area, permitting them only in conjunction with industrial development on parcels of more than 100,000 square feet.
(3) Prohibition on combining lots to create sites of 25,000 square feet or more in the corridor west of 20th Street except by Conditional Use Permit in order to insure that small scale incubator spaces in the area were maintained.

Consequences

The consultants have tried to establish what the consequences to the City might be of such an aggressive effort to maintain industrial uses and limit office development in the corridor. One possible alternative to this policy is that the City, by restricting use, would cause land value in the area to drop over time to the point where the area became competitive with other industrial locations in the region and industrial development would then take place. Another alternative to this policy is that the land price change required to compete is so large that the City would of necessity have to subsidize traditional industrial development, perhaps through the establishment of non-profit Economic Development Corporation whose goal would be to make land and buildings for manufacturing operations attractive to desired businesses. The corporation could acquire, sell or lease property to the desired tenants and thereby protect the Corridor from encroachment by other uses. In order to make the property attractive it would "write down" (reduce, probably by public subsidy) the current cost of land in the Corridor so that it would become attractive to industrial users.

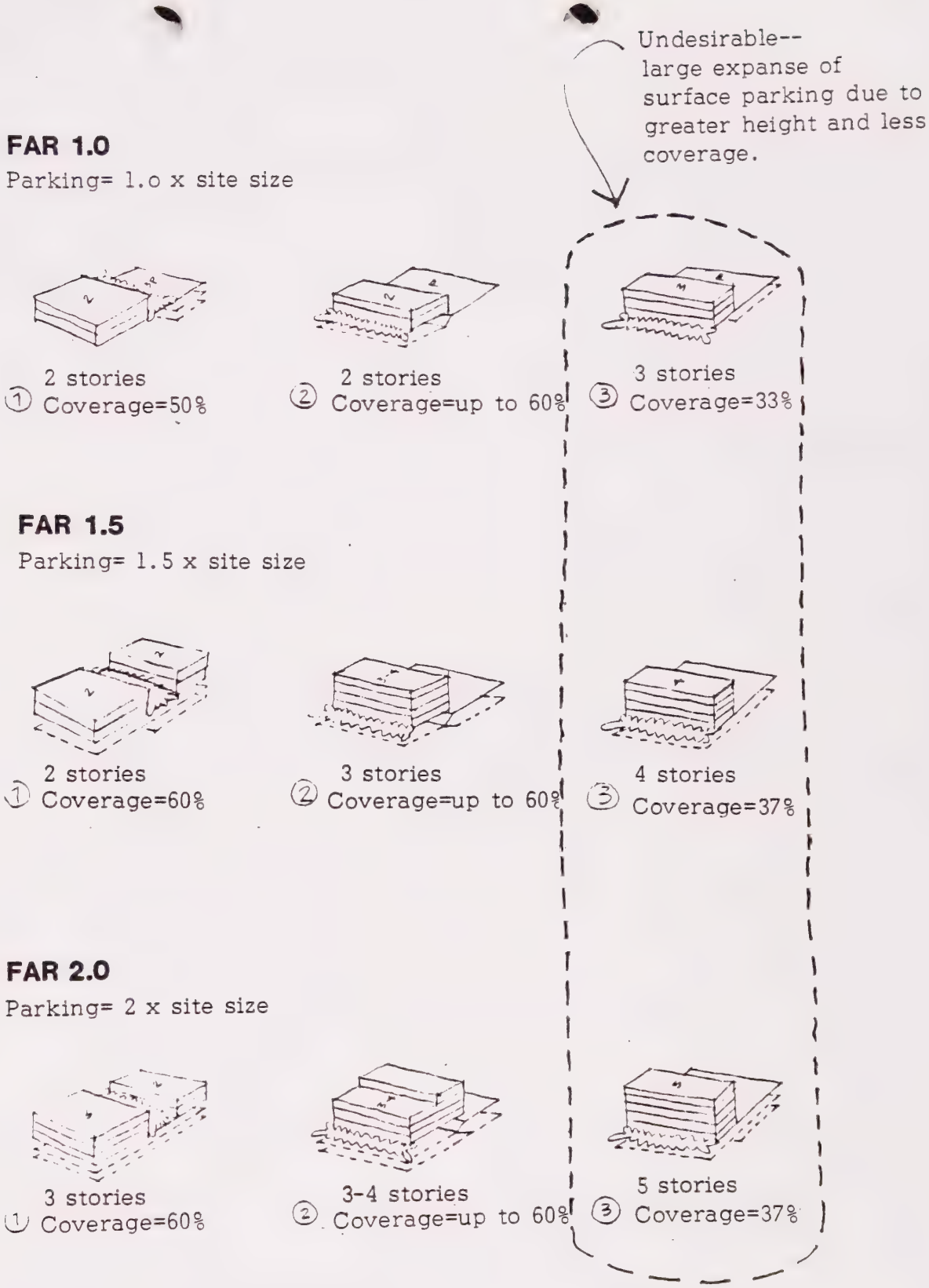


Fig. 3

Industrial Corridor Prototype Studies

Assumptions:
Required parking= 1 space/350 s.f. (thus necessary parking equals amount of floor area)
Coverage maximum= 60%
Required landscaping= 15% of site area

To estimate how much land value would have to change, nine industrial realtors were interviewed about what market areas are competitive with Santa Monica and what the land and rental costs are in these areas, and the data derived were combined with information from the Coldwell Banker 1982 Commercial Real Estate Market Study of Los Angeles County. Table X summarizes the major comparisons:

TABLE X -- SUMMARY OF INDUSTRIAL LAND COMPARISON DATA

Market Area	Santa Monica	San Fernando Valley***	Marina Culver City	LAX/El Segundo	South Bay/ So Central
Land Price*	$40-100	$6-20	$18-25	$15-30	$8-25
Rents (Ind)**	$ .50-.80	$ .30-.50	$ .30-.70	$ .35-.85	$ .23-.35
Rents (HiTech)	$ 1.00	.50-1.25	1.00-1.10	1.15-1.20	.80-1.00

* Price is per square foot.
** Rents are for triple net leases, 3-5 year term, with a cost of living adjustment. Rent quoted is per square foot per month.
*** Does not include Warner Center where land values are $30-$40 per square ft. and rents for industrial space are $.50-$1.25, largely for electronics and computer research & development.

Land in the Industrial Corridor seems to be worth $40-$60 per square foot. Thus, to compete with other areas also seeking industrial uses a subsidy of at least $10 would be required to bring prices into line with those in the LAX area, rising to $50 per square foot to compete with portions of the South Bay and the San Fernando Valley, excluding the Warner Center. This is based on the assumption that Santa Monica land values would have to be bought down to the point where the value was equivalent to the value of land in areas where it is economic to build space that rents for $.25-$.50/sq. ft.

Without such a decline in value or a subsidy in the form of a write down, the City would be limited to high technology users who, in general, are willing to pay a much higher rent, close to that for typical office spaces. They, however, require 30-50% office use, clean air conditioned industrial space with good truck loading access and other amenities such as parking of roughly 4 spaces per 1,000 square feet. Space for expansion is also important since tenants typically anticipate that they will need flexibility in the future and prefer business park type locations. Such options are frustrated in areas like the Industrial Corridor where primarily free standing buildings are all that is available.

It is likely that for land requiring very large write downs or changes in land value if a strict industrial provision were made, Santa Monica would probably replace traditional manufacturing with industrial activities which are driven by the locational preferences

of the owner of the firm, warehousing and distribution activities where the improved access to West Side markets offsets the higher leasing costs and all types of industrial activities where the site is owned by the space user. Here the costs of staying are not recognized and inertia and the perceived costs of moving may offset any benefit to be gained from recycling the land use. It is thus unlikely that land prices would fall sufficiently to attract new development involved in traditional industrial uses, because even under Task Force provisions non-manufacturing industrial uses, such as warehousing, would be viable at competitive rates.

If the City chose nevertheless to intervene in the market and to subsidize land prices in order to attract traditional manufacturing, the cost could be quite high. By the year 2000 it is estimated that there will be demand for 237,830 square feet of new industrial space in the City. If the City chose to write down land costs so that all of this space came to be occupied by manufacturing enterprises the cost could go as high as $12 million, as indicated below. Since this amount of space would result in an estimated 629 additional industrial jobs, this would mean that each industrial job would cost the City $19,000. It is impossible to predict where the actual subsidy mix would fall between the high and low ends of the ranges indicated in Table XI.

TABLE XI -- RANGE OF POSSIBLE SUBSIDY

Per Sq. Ft Write Down	Subsidy For Manufacturing Use	Per Job Subsidy*
$10	$ 2,378,300	$ 3,781
$20	4,756,600	7,562
$30	7,134,900	11,343
$40	9,513,200	15,124
$50	11,891,500	18,905

* 237,830 square feet of space would produce approximately 629 jobs of the traditional manufacturing type.

If Task Force Recommendations Are Adopted, By the Year 2000 the Industrial Corridor Will:

Land Use

The estimates of land use and employment given in Tables XII and XIII assume that the City chooses to adopt the Task Force program as written, and thus does not add a subsidy to write down land prices. The effect of the Task Force's restrictions on office development would probably be to redirect 603,177 sq. ft. of the total new office demand forecast for the Industrial Corridor (1.75 million square feet) under the continuation of current policies scenario to other areas in Santa Monica, or outside the

City. Since the available excess potential in other areas under Task Force standards is only 213,000 square feet, the remainder (390,177 square feet) would go to other communities.

Given these factors it is estimated that if the limitations on office construction and the aggressive strategy to maintain traditional manufacturing were adopted as policy, by the year 2000 the area would contain 35% office space compared to the current 21% (and 41% if current policies were continued).

TABLE XII --
INDUSTRIAL CORRIDOR: USE OF SPACE IN THE YEAR 2000
(TASK FORCE POLICY COMPARED WITH CURRENT*)

	Square Feet	% Increase over Existing	Total Year 2000 Sq. Ft.	Total Year 2000 % of Total
Retail	57,978 (461,000)	13%	518,978	(8%)
Office	1,148,242 (983,000)	117%	2,131,242	(35%)
Industrial	237,830 (3,231,600)	7%	3,469,430	(57%)
Total	1,444,050 (4,675,600)		6,119,650	(100%)

* As described in Table VIII the totals assume no displacement of existing space.

Employment

These changes in land use would be associated with changes in

TABLE XIII --
INDUSTRIAL CORRIDOR: EMPLOYMENT BY TYPE, 1982 and 2000
(TASK FORCE POLICIES COMPARED WITH CURRENT)

	1982			2000		
		No. Held by Residents			No. Held by Residents	
User Type	Total Jobs	No.	%	Total Jobs	No.	%
Industrial	6,870	2,601	56.1	7,499	2,250	41.9%
Office	3,361	605	16.5	8,057	1,450	27.0
Retail	1,017	509	13.8	1,243	622	11.6
Other	1,494	501	13.6	2,943	1,045	19.5
Total	12,742	3,676	100.0%	19,742	5,367*	100.0%

* The total number of jobs if present policies were to be continued is projected in a prior table to be 22,022 and the Santa Monica residents jobs to be 5,778. This means 411 Santa Monica resident and 2,280 total jobs are lost under Task Force policies.

employment. Table XIV indicates the number of jobs of different types which are now existing in the Industrial Corridor and which, under the projected demand for space should the Task Force regulations be adopted, would be present in the year 2000, and their probable distribution to Santa Monica residents.

A lower proportion of jobs in the Industrial Corridor (27% vs. 29%) will be held by Santa Monica residents under this scenario, although the absolute number of jobs held by residents will be 46% (1,683) higher than at present.

Under this scenario some proportion of office development which otherwise would occupy the Industrial Corridor will be directed to other parts of the City. The most likely location is the Wilshire Corridor. However, the Wilshire Corridor directly abuts residential neighborhoods and thus additional office development would cause traffic and parking impacts to these residential areas.

Urban Design

While Scenario II does not directly address urban form issues, the Task Force recommendations do have implications in this area. Since the Task Force allows predominately industrial uses, intensities would remain very low, with large areas continuing as storage yards or surface parking. The corridor would be a sparcely built, underutilized zone separating residential neighborhoods. In reality, the area would be "land banked", i.e., kept for future use.

ANALYSIS -- AN ALTERNATIVE POLICY PROGRAM

Policy Changes

Land Use

Recent trends indicate that manufacturing and semi-finished product firms in the City are declining and being replaced by high technology, crafts, retail and office development. The Task Force based scenario attempted to stop this change by limiting office development to 35% associated with new industrial use. However, the traditional industrial uses would still decline, without competition from new uses, because of fundamental region-wide shifts to a service based economy. Manufacturing employment as a share of total labor force in the Los Angeles area exceeded the national rate during the 1970's, but as a proportion of total employment, manufacturing jobs in Los Angeles peaked in 1968, when some 880,000 workers (1 in 3) were employed in this sector. By 1982, the number for the entire basin had grown by only 36,000 while the total number of jobs expanded by well over a million. Santa Monica itself had both in 1970 and in 1980 less than a proportional share of the manufacturing jobs in the basin. Because of the declining presence of traditional manufacturing in the region and Santa Monica's declining share, this alternative seeks to allow more office development than the Task Force sce-

nario recommends East of 20th St., but simultaneously promote a clean, low scale job creating substitute for traditional industry which is on the decline. This alternative also represents an opportunity to make the Industrial Corridor tie into and complement its residential context.

For the portion of the Industrial Corridor West of 20th Street the City would preserve the Corridor for industrial uses by adopting the rule suggested by the Commercial and Industrial Task Force, which would: a) require that offices occupy no more than 35% of floor area otherwise occupied by industrial use, and b) require a Conditional Use Permit to assemble existing lots to create a project site of 25,000 square feet or larger.

Urban Design

The principles under which this development would occur are illustrated in Figures 4-9. The mechanisms involved are:

(1) Creation of a new C-5 zone in the Industrial Corridor, East of 20th St. Here large floor office space would be permitted. Surface parking would be discouraged by setting FARs of 1.5-2.0 and height limits of 3-4 stories with 65% coverage and 15% required landscaping. New retail development would be limited to 5% of gross floor area.
(2) Preservation of the existing M zoning West of 20th St. and East of Lincoln Blvd. and restriction of office use to 35% of new floor area. In this zone maximum FARs would be .5-1.0 and height would be 3 stories.
(3) Creation of a pedestrian/bicycle pathway system linking destinations in the Corridor including parks, schools, retail nodes and employment concentrations.
(4) Preservation of the Southern Pacific right of way for a linear park and possible future fixed rail transit route.

Consequences

The concentration of office demand in the Corridor would mean that 1.75 million square feet of new office space, the same as the baseline scenario, would develop in the Industrial Corridor by the year 2000. The majority of demand would be for research and development and large floor area users East of 20th Street. Thus, the Industrial Corridor would not be competing with the Downtown area; each district would satisfy a different kind of space demand. In addition, because of the proposed design guidelines and public improvement framework for development, the Industrial Corridor would begin to link closely into the rest of the City and to complement its residential context.

West of 20th Street office uses would be limited to no more than 35% of floor area. This would permit the typical types of industrial buildings, while keeping allowable development in line with demand. An additional beneficial effect of the low FAR's would

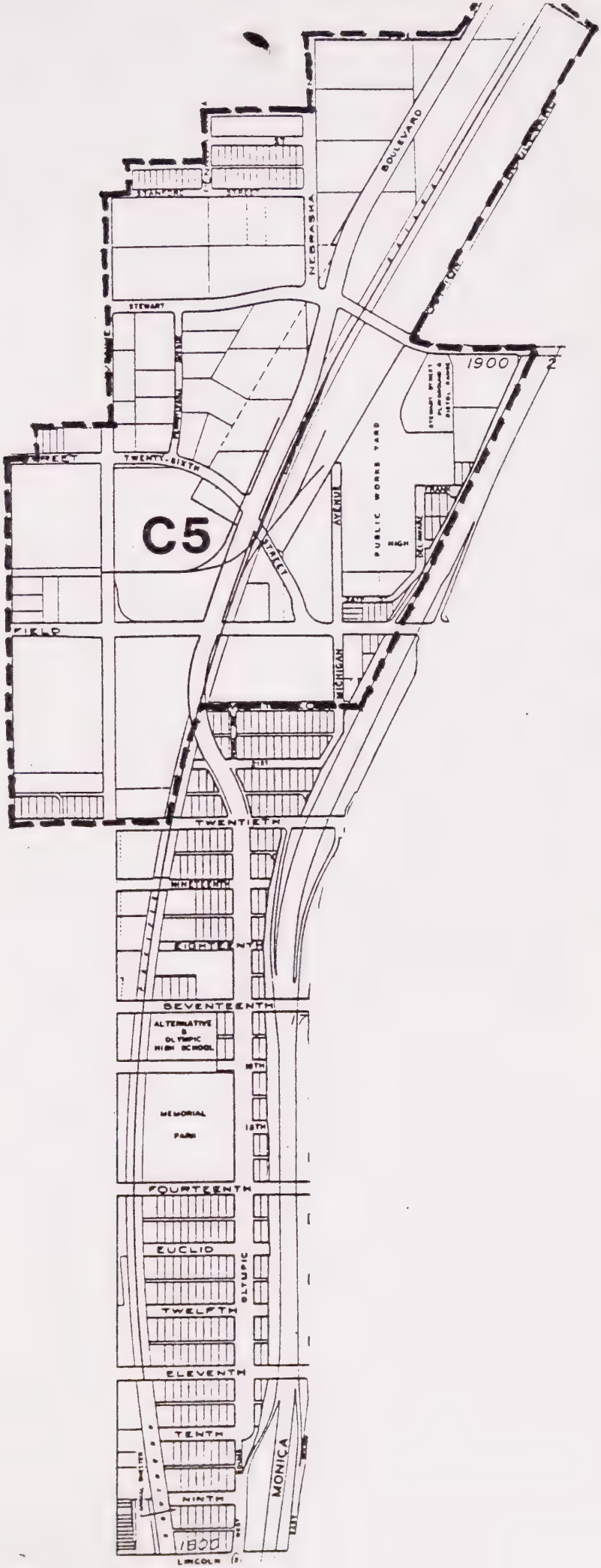


Fig.4

Industrial Corridor

LAND USE

PRINCIPLE 1: Discourage the creation of a "second Downtown" concentration of development, but allow a portion of the Corridor to serve as an outlet for beneficial growth. Encourage uses suited to the unique characteristics of the Industrial Corridor (large parcel size, adjacency to Freeway, residential surroundings, etc.).

MEANS:

- Create a new C-5 zone in the Industrial Corridor east of 20th Street. Allow R&D uses, large-floor custom office, and other space which cannot be accommodated in Downtown and the Wilshire Corridor.

Fig.5

Industrial Corridor

LAND USE

PRINCIPLE 2: Retain the beneficial "incubator" function served by the Corridor.

MEANS:

-Preserve existing "M" zoning in the area west of 20th and east of Lincoln.

-Restrict office use in the "M" area to 35% of new floor area.

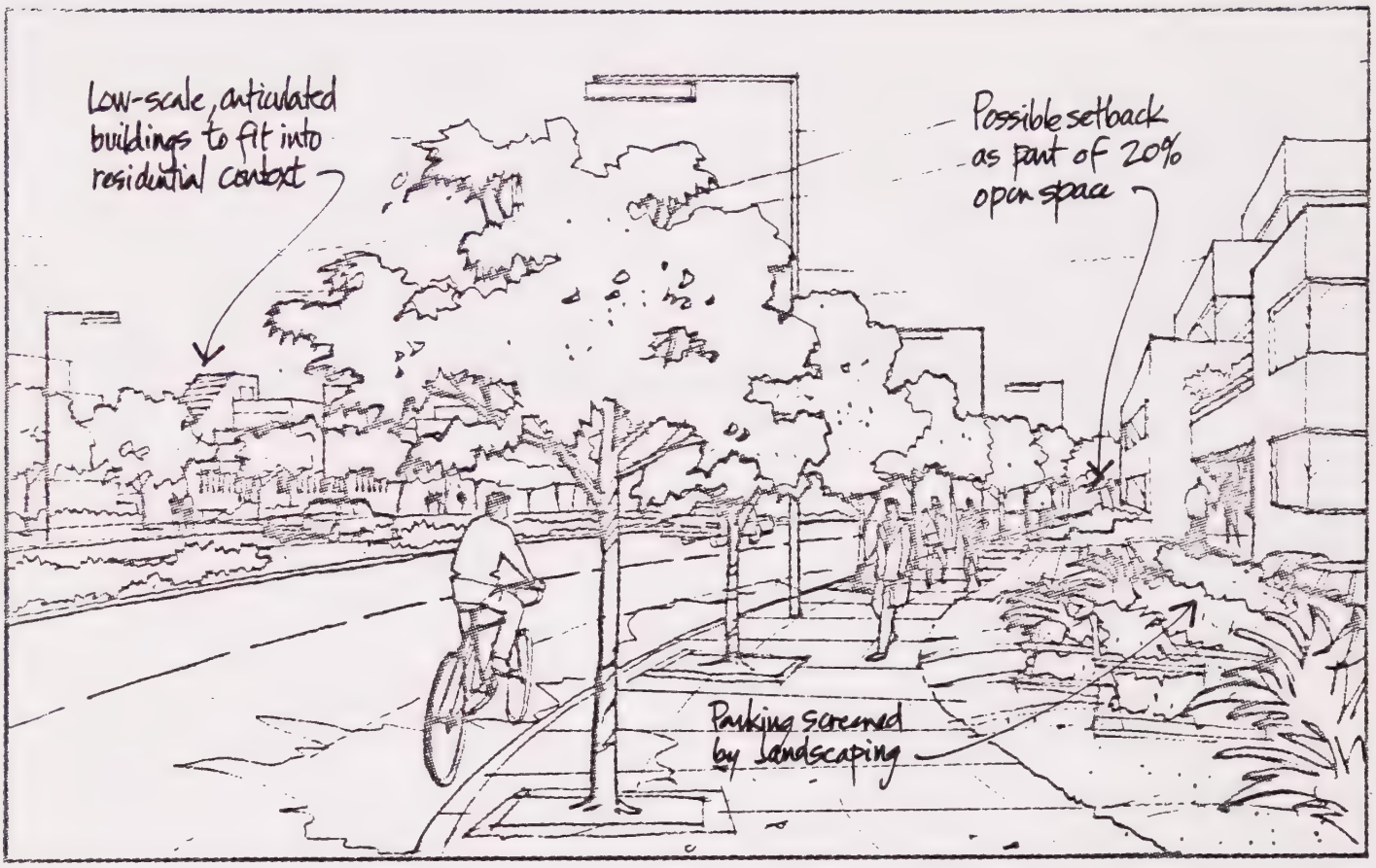


Fig.6

Industrial Corridor

REGULATIONS ON PRIVATE DEVELOPMENT

PRINCIPLE: In the new C-5 zone, encourage development of a scale and design that enhances its surroundings and contributes to the coherence and imageability of the whole district. Create a "campus" setting for development.

MEANS:

-Set FARs of 1.5-2.0, and height limits of 3 or 4 stories, as illustrated above.

-Require a minimum of 20% landscaped open space, and maximum coverage of 65%.

-To provide a transition in scale, require a 20' setback from adjacent residential, which can accommodate an alley easement, if none exists.

-Reduce the visibility of surface parking, by requiring that buildings form a certain percentage of the street facade on major arterials, and requiring surface parking lots to be landscaped.

-Investigate the need for a mandatory setback in order to allow room for landscaping, especially along major arterials and possibly the Southern Pacific easement.

-Consider limiting bulk by means of a specified maximum diagonal dimension for new buildings (as in the San Francisco zoning ordinance).

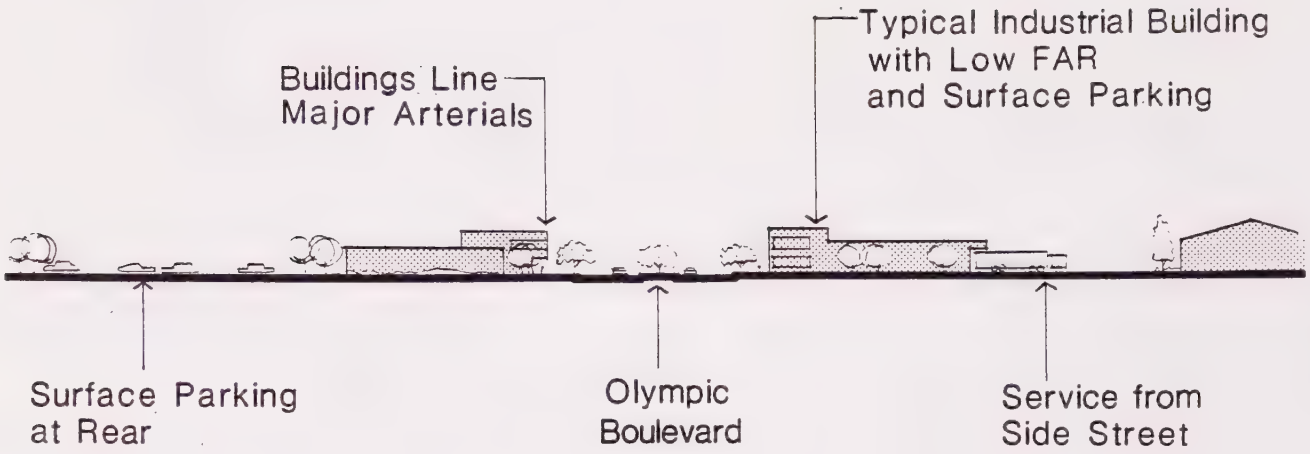


Fig.7

Industrial Corridor

REGULATIONS ON PRIVATE DEVELOPMENT

PRINCIPLE: In the M zone west of 20th Street, protect incubator industry from competition with more intense uses that can afford to pay higher land prices and rents.

MEANS:

-Set maximum FARs of .5-1.0, and heights of 3 stories, in order to permit the typical industrial building prototypes and still keep intensities low.

-Discourage service access from Olympic Boulevard, to enhance the character of the district (see diagram above:.

-Require 20' landscaped setback or alley easement adjacent to residential uses.

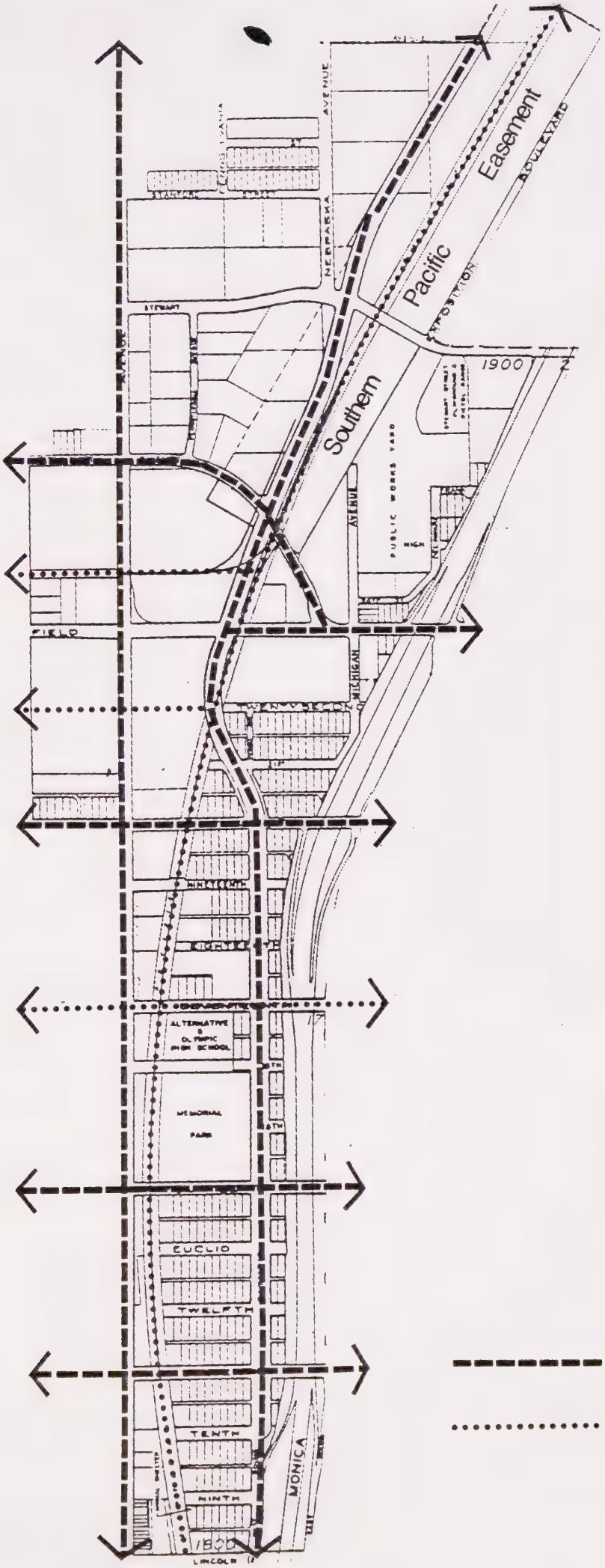


Fig. 8

Industrial Corridor

CIRCULATION

PRINCIPLE: Distinguish two interrelated circulation networks--one auto-intensive, the other to be strengthened as pedestrian and bicycle routes.

MEANS:

- Reserve the Southern Pacific easement as a linear park, bike route, and future transit right-of-way.
- Create a strong pedestrian/bicycle pathway system linking important destinations such as parks, schools, retail nodes, and employment concentrations.
- Where logical, extend existing street network to provide a better circulation system.
- Recognize the hierarchy of existing vehicular circulation by restricting curb cuts and creating turnouts for pickup/dropoff and buses.

Major Vehicular Routes

Major Bicycle/Pedestrian Routes

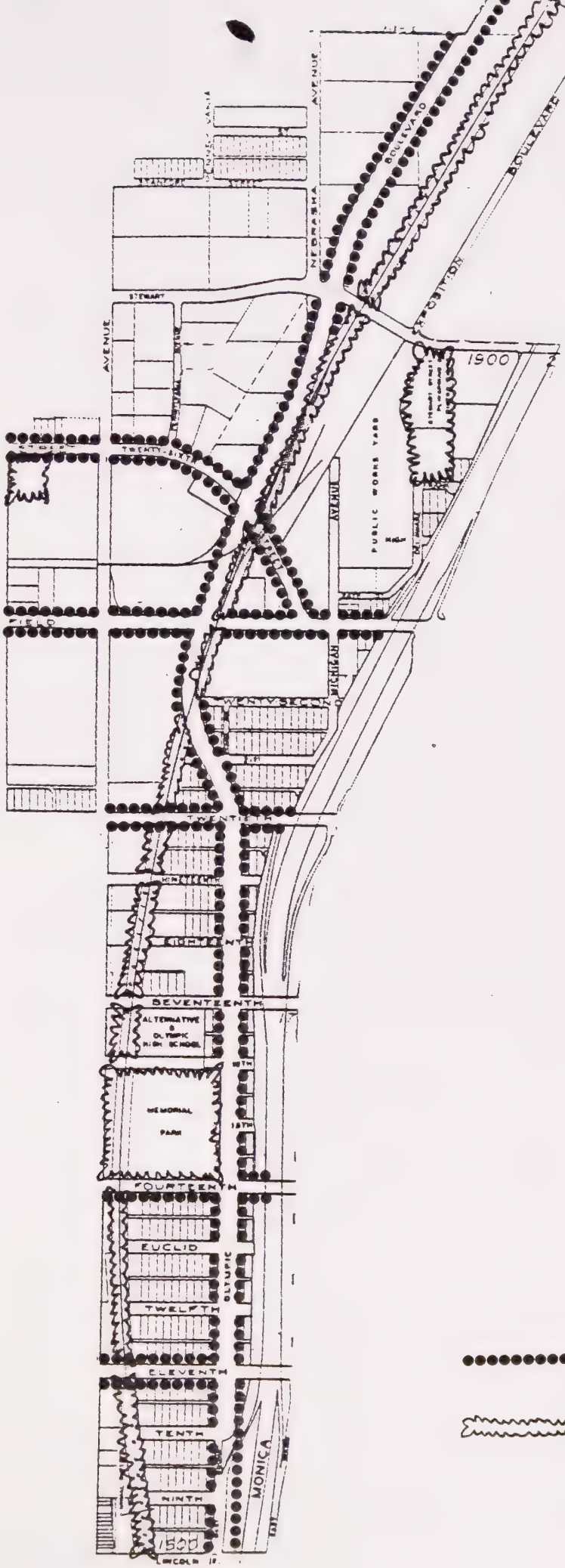


Fig.9

Industrial Corridor

PUBLIC OPEN SPACE

PRINCIPLE: Tie the Industrial Corridor into the rest of the city, by creating a strong network of public open space. Create special character for each different function: vehicular movement corridors as opposed to biking, walking, and other recreation/park space.

MEANS:

- Enhance the recognizability and image of this district by improvements to the streetscape of major arterials (ex. Olympic Boulevard formal tree plantings, street lights).
- Place high priority on reserving key parcels for public open space (ex. S.P. Right-of-Way).
- Require that open space provided in private development tie into and reinforce the overall network.

●●●●●●●●●● Streetscape improvements to major arterials

Reserve for public open space

be to prevent speculatively high land values thus protecting valuable incubator industry from competition with more intense uses that can afford to pay higher land prices and rents.

If the Alternative Policy Changes are Adopted, by the Year 2000 The Industrial Corridor Will:

Employment

Under this scenario it is likely that by the year 2000, the area would contain 22,022 jobs, 34% industrial, 6% retail and 47% office. This is the same level as under the current regulations. A smaller percentage but a larger absolute number of Santa Monica residents would be employed in such jobs than is now the case. This is shown in Table XIV.

TABLE XIV --
INDUSTRIAL CORRIDOR: EMPLOYMENT BY TYPE,
1982 AND 2000 (ALTERNATIVE)

	1982			2000		
		No. Held By Residents			No. Held By Residents	
	Total Jobs	No.	%	Total Jobs	No.	%
Industrial	6,870	2,061	56.1	7,449	2,250	38.9
Office	3,361	605	16.5	10,337	1,861	32.2
Retail	1,017	509	13.8	1,243	622	10.8
Other	1,494	501	13.6	2,943	1,045	18.1
Total	12,742	3,676	100.0%	22,022	5,778	100.0%

SUMMARY -- IMPACTS OF THE THREE SCENARIOS

The analysis of the Industrial Corridor alternatives has primarily focused on the implications of these alternatives for the environment and for employment. Figure 10 is a summary comparison, for the year 2000, of all six goals about which the City has concerns. The summary does not list the goals in a priority order.

Fig.10

EVALUATION AGAINST ADOPTED CITY GOALS

CITY GOAL	CONTINUATION	TASK FORCE	ALTERNATIVE
Costs & Revenues (in constant 1982 dollars)	Results in a revenue increase of $1.3 million and a cost increase of $2.1 million from current conditions. Based on year 2000 development patterns, total costs exceed total revenues by $3.1 million.	Results in a revenue increase of $1.1 million and a cost increase of $1.5 million from current conditions. Based on year 2000 development patterns, total costs exceed total revenues by $2.7 million.	Results in a revenue increase of $1.3 million and a cost increase of $2.0 million from current conditions. Based on year 2000 development patterns, total costs exceed total revenues by $3.0 million.
Support for Small/ Locally Owned Business	Will likely not be supportive of small/locally owned business, as large office buildings do not tend to be locally owned. Further, area west of 20th Street will not be protected for small business use.	Will likely not be supportive of small/locally owned business, as area west of 20th Street will not be protected for small business use.	Of the three scenarios, this scenario is likely to be most supportive of small/locally owned business, as areas west of 20th Street will specifically be protected for small businesses.
Housing	Housing is prohibited.	Housing is prohibited except on large parcels. Little market rate housing would occur due to absence of amenities.	Housing is permitted and more likely to occur in mixed use projects because of planned amenities and prescribed desig guidelines.
Environment	1. Projects are monumental and unrelated to context. 2. District is not tied together.	1. Office spills into Wilshire area.	1. Encourage clean, low-scale substitute for traditional industry. 2. Ties into and complements residential context.
Underemployment	An increase of about 2,100 jobs for Santa Monica residents.	An increase of about 1,700 jobs for Santa Monica residents; 400 or 19% less than under the first scenario.	An increase of about 2,100 jobs for Santa Monica residents; same as under continuation of current policies.

SUMMARY COMPARISON OF REGULATIONS BY SCENARIO -- INDUSTRIAL CORRIDOR

Zone	Comparison Category	Continuation (Baseline)	Task Force (6385)	Alternative
M				
	Height	45'	45' (except for new MIA category which is limited to 36')	3 stories
	FAR	4.0 (effective FAR)		.5-1.0
C-5				
	Height	N/A	N/A	3-4 stories
	FAR	N/A	N/A	1.5-2.0